## STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF:

BRIAN TABIADON, and

BARRIER PARTICLES AND COATINGS, INC.

its managers, officers, affiliates, subsidiaries, representatives, successors, and assigns.

## **ORDER OF PROHIBITION**

TO RESPONDENTS:

**BRIAN TABIADON** 

1120 SANDSTONE COURT

AURORA, IL 60502

BARRIER PARTICLES & COATINGS, INC. 2216 NORTH GENEVA TERRACE, APT. 1-E

CHICAGO, IL 60614

WHEREAS, the above-captioned matter came on to be heard on May 15, 2014 pursuant to the Notice of Hearing dated March 18, 2014, served on the Respondents Brian Tabiadon ("Tabiadon") and Barrier Particles and Coatings, Inc. ("Barrier Particles") by Petitioner Secretary of State, and the record of the matter under the Illinois Securities Law of 1953 [815 ILCS 5] ("the Act") has been reviewed by the Secretary of State or his duly authorized representative.

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed proper and are hereby concurred with by the Secretary of State.

WHEREAS, the proposed Findings of Fact, Conclusions of Law and Recommendations of the Hearing Officer, Canella Henrichs, in the above captioned matter have been read and examined.

WHEREAS, the following proposed Findings of Fact of the Hearing Officer are hereby adopted as the Findings of Fact of the Secretary of State:

## Findings of Fact are as follows:

- 1. The Department issued the Notice of Hearing on March 18, 2014 setting the hearing for May 15, 2014.
- 2. Respondent Brian Tabiadon is a natural person with a last known address of 1120 Sandstone Court, Aurora, Illinois 60502.
- 3. Respondent Barrier Particles was incorporated in the state of Illinois on September 17, 2007 and voluntarily dissolved on May 21, 2010, with a last known address of 2216 North Geneva Terrace, Apartment 1 E, Chicago, Illinois 60614.
- 4. On March 19 and 20, 2014, respectively, the respondents were served, via certified mail, return receipt requested, at their last known addresses (above), with a copy of the Notice of Hearing, setting this matter for a hearing on May 15, 2014.
- 5. The Respondents failed to answer, appear, or submit a responsive pleading.
- 6. The Respondents did not appear at the hearing nor were they represented by counsel.
- 7. As of the date hereof, the Hearing Officer is unaware of the existence of any other outstanding petitions, motions, or objections as to this matter or the proceedings thereon.
- 8. Respondent Tabiadon solicited at least one Illinois Investor to purchase ten shares of common stock in Respondent Barrier Particles in the amount of \$10,000.00.
- 9. On September 20, 2007, the Investor made a check payable to the order of Respondent Barrier Particles in the amount of \$4,300.00. The Respondent Brian Tabiadon endorsed the check as Brian Tabiadon, President of Respondent Barrier Particles. The funds were deposited in the payee Respondent Barrier Particles' account at JP Morgan Chase Bank.
- 10. On October 3, 2007, the Investor made a second check payable to the order of Respondent Barrier Particles in the amount of \$5,700.00. The Respondent Tabiadon endorsed the check as Brian Tabiadon. The funds were deposited in the payee respondent Barrier Particles' account at JP Morgan Chase Bank.
- 11. The total amount invested by the Investor was \$10,000.00.

- 12. Respondent Tabiadon signed and mailed or caused to be mailed to the Investor a stock certificate identifying the 10 shares he now owned in Respondent Barrier Particles.
- 13. Respondent Tabiadon's activities described above involve the offer and sale of a stock certificate, therefore a security as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").

## As to Count I of the Notice of Hearing, Failure to Register Securities:

14. Respondents Brian Tabiadon and Barrier Particles failed to file an application with the Secretary of State to register the stock certificate as required by the Act, and as a result the stock certificate was not registered as such prior to its sale in the State of Illinois.

# As to Count II of the Notice of Hearing, Failure to Respond to an Illinois Securities Department Subpoena Duces Tecum and Subpoena Ad Testificandum:

- 15. On June 6, 2011, The Department issued a Subpoena Duces Tecum and a Subpoena Ad Testificandum to Respondent Brian Tabiadon in the matter of File No. 10-00366.
- 16. Attached to the Subpoena Duces Tecum was "Schedule A" listing the documents or information to be produced.
- 17. The due date for the Subpoena Duces Tecum was July 6, 2011.
- 18. The due date for the Subpoena Ad Testificandum was July 8, 2011.
- 19. Respondent Brian Tabiadon failed to comply with the Subpoena Duces Tecum and failed to provide to the Department the requested documents or information on July 6, 2011 or any time thereafter.
- 20. Respondent Brian Tabiadon failed to comply with the Subpoena Ad Testificandum and failed to appear at the offices of the Department on July 8, 2011 or any time thereafter.

WHEREAS, the following proposed Conclusions of Law made by the Hearing Officer are correct and are hereby adopted as the Conclusions of Law of the Secretary of State:

- 1. The Notice of Hearing included the information required under Section 130.1102 of Subpart K of the Rules and Regulations.
- 2. The Department properly served the Notice of Hearing on Respondents Brian Tabiadon and Barrier Particles.

- 3. The Secretary of State has jurisdiction over the subject matter hereof pursuant to the Act, and has personal jurisdiction over Respondents under the Act and the Rules and Regulations.
- 4. Because of Respondents' failure to file a timely answer, special appearance or other responsive pleading in accordance with Section 130.1104 of the Rules and Regulations:
  - a. The allegations contained in the Notice of Hearing are deemed admitted;
  - b. Respondents waived the right to a hearing;
  - c. Respondents are subject to an Order of Default.
- 5. Because Respondents failed to appear at the time and place set for hearing, in accordance with Section 130.1109 of the Rules and Regulations, they waived the right to present evidence, argue, object or cross examine witnesses; or otherwise participate at the hearing.

#### As to Count I:

- 6. Respondents Brian Tabiadon's and Barrier Particles' activities described above involve the offer and sale of a security, namely, stock, as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS] (the "Act").
- 7. Pursuant to Section 5 of the Act "all securities except those set forth under Section 2a of this Act ... or those exempt ... shall be registered ... prior to their offer or sale in this State."
- 8. Pursuant to Section 12.A of the Act, it shall be a violation of the Act to offer or sell any security except in accordance with the provisions of the Act.
- 9. Pursuant to Section 12.D of the Act, it shall be a violation of the Act to fail to file with the Secretary of State any application or document required to be filed by the Act.
- 10. By virtue of the foregoing Respondents Brian Tabiadon and Barrier Particles violated Sections 12. A and 12. D of the Act.

### As to Count II:

11. Section 11.D(1) of the Act provides, *inter alia*, that the Secretary of State or a person designated by him or her may subpoena witnesses and/or require by subpoena "the production of any books and records, papers, or other documents which the Secretary of State or a person designated by him or her deems relevant or material to the inquiry."

- 12. The Subpoena Duces Tecum and the Subpoena Ad Testificandum addressed to Brian Tabiadon were issued pursuant to Section 11.D(1) of the Act and were properly served on Brian Tabiadon at his last known address.
- 13. As to the Subpoena Duces Tecum, the Respondent Brian Tabiadon failed to produce all of the documents requested by the due date, or any day thereafter, that were subpoenaed by the Department pursuant to Section 11.D(1) of the Act.
- 14. As to the Subpoena Ad Testificandum, the Respondent Brian Tabiadon was subpoenaed to appear by the Department pursuant Section 11.D(1) of the Act and he to failed to appear at the scheduled due date, or any day thereafter.
- 15. Respondent Tabiadon's failure to respond and to appear to the subpoenas by their due dates impeded designees of the Secretary of State from conducting an investigation under Section 11.D(1) of the Act.
- 16. By virtue of Respondent Brian Tabiadon's failure to respond in a timely manner to the Subpoenas issued under Section 11.D(1) of the Act, Respondent has violated the Act.

## NOW THEREFORE, IT IS HEREBY ORDERED THAT:

- 1. The Department's request for a Default Judgment against Respondents Brian Tabiadon and Barrier Particles and Coatings, Inc. is granted.
- 2. Pursuant to Section 11 of the Illinois Securities Act of 1953, the Secretary of State adopts the Hearing Officer's recommendations that a permanent Order shall be entered prohibiting Respondents Brian Tabiadon and Barrier Particles and Coatings, Inc. from offering and selling securities in or from the State of Illinois.
- 3. Respondents Brian Tabiadon and Barrier Particles and Coatings, Inc. are hereby PROHIBITED from offering and selling securities in or from the State of Illinois.

Dated: This 22nd day of August 2014.

JESSE WHITE Secretary of State State of Illinois

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NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the

## Order of Prohibition

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Secretary of State, having knowledge of the existence of the Order, shall be guilty of a Class 4 Felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, {735 ILCS 5/3-101 et seq.} and the Rules and Regulations of the Illinois Securities Act, {14 Ill. Admin. Code Ch. I, Section 130.1123}. Any action for Judicial Review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Attorney for the Secretary of State:
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